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Programme budget for the biennium 1998-1999

Implementation by the United Nations Conference on Trade and Development of the activities financed from the unspent balance from the regular budget for the biennium 1996-1997 and how the accomplishments have contributed to strengthening the capacity of the conference, in particular in priority areas

Analysis of savings resulting from the improved overall cost-effectiveness achieved pursuant to the ninth session of the conference, including the restructuring of the intergovernmental machinery and the reform of the Secretariat

Fourth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee has considered the report of the Secretary-General of 26 October 1999 (A/54/501). During its consideration of the report, representatives of the Secretary-General provided additional information.

2. The report was submitted pursuant to paragraphs 4 and 7 of General Assembly resolution 53/3 of 12 October 1999, in which the Assembly requested the Secretary-General to report to it at its fifty-fourth session on implementation by the United Nations Conference on Trade and Development (UNCTAD) of activities financed from the unspent balance of $5,526,600 from the regular budget for the biennium 1996-1997, which had been retained pursuant to Assembly decision 52/462 of 31 March 1998, and on savings resulting from the improved overall cost-effectiveness achieved pursuant to the ninth session of UNCTAD.

3. As indicated in paragraph 5 of the report, of the total authorized allocated amount of $5,526,600 carried over to the biennium 1998-1999, expenditures of $3,988,800 had been incurred as at 30 September 1999. Upon request, the Advisory Committee was provided with additional information detailing activities and expenditures as of 15 November 1999, which totalled $4,403,135. During its meeting with the representatives of the Secretary-General, the Committee was informed that further funds would be committed during the period from 16 November to 31 December 1999, leaving an unspent balance of

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approximately $1 million in the special account set up to handle these funds. However, no additional expert meetings would be held before 31 December 1999.

4. The Advisory Committee takes note of the analysis of the savings achieved pursuant to the ninth session of UNCTAD and the statement in paragraph 15 of the report that changes introduced at that session resulted in a reduction of 526 meeting units during the biennium 1998-1999 as compared to the number of meeting units required during the biennium 1994-1995, and that, assuming an average cost of approximately $3,900 per meeting unit, the savings due to reductions in conference-servicing requirements would amount to $2 million.

5. The annex to the report contained information on accomplishments and expenditures for activities financed from the unspent balance from the regular budget for the biennium 1996-1997. The Advisory Committee commends the Secretariat for the detailed information provided in the annex.

6. As indicated in paragraphs 17 and 18 of the annex to the report, the original allocation of $1,088,000 for expert meetings was based on the assumption that there would be 16 expert meetings during the 18-month period from July 1998 to December 1999. However, as the result of the delay between the submission of proposals for the use of the resources (A/52/898 and Corr.1) on 13 May 1998 and the endorsement by the General Assembly of those proposals in its resolution 53/3, of the 16 expert meetings originally envisaged, 7 were held. Thus, some of the resources allocated to enhance the expertise of the deliberations of the expert meetings of the Commissions of the Trade and Development Board remain unspent.

7. With regard to the future disposition of the special account and the unencumbered balance, the Advisory Committee recommends that, on an exceptional basis, the special account be maintained and the unspent balance retained until all the activities and programmes outlined in the report of the Secretary-General of 13 May 1998 (A/52/898 and Corr.1) and approved by the General Assembly in its resolution 53/3 are completed. The Committee cautions that this should not set a precedent. In this connection, the Committee recalls paragraph 3 of its report of 28 September 1998 (A/53/7/Add.2) in which it stated that, with the decision to retain the unspent balance of $5,526,600, the Assembly implicitly waived financial regulations 4.2 to 4.4 according to which appropriations should be available only for the biennium to which they relate. The Committee also expressed concern at that time that the decision to fund activities after the biennium to which the funds relate has ended would create a precedent.